

Hon. Rep. Marvin Abney, Chair  
House Finance Committee  
State of Rhode Island General Assembly  
82 Smith Street  
Providence, RI 02903

Re: House Bill No. 6122 – Article 11  
Adult Use of Marijuana Legislation

**Comments on behalf of Cultivators regarding Adult Use Marijuana Legislation**

Dear Chair Abney:

I represent Sensible Cultivators for Intelligent Reform Inc. which is an organization of cultivators that are licensed under the Rhode Island Medical Marijuana Program, including Mammoth Inc., Donovan Obair LLC, Cultivating RI LLC, and Emerald Leaf Organics LLC, and while in full support of Adult Use Legislation, submit this written testimony to express concern for provisions that would allow new cultivators to enter the proposed Adult Use program.

Approximately 70 Licensees and Applicants have already been vetted and approved to cultivate. If these cultivators operated at their current full combined capacity of approximately 400,000 sq. ft. of canopy, they would generate enough cannabis to satisfy the expected initial demands of the Rhode Island Adult Use market.

The current cultivators took significant risk and made significant investments, in part, based on representations made by the state's chief medical marijuana regulator that additional cultivators would not be authorized in the future when Adult Use became law in Rhode Island. Allowing additional cultivators would be breaching the representations upon which the cultivators relied.

Furthermore, these cultivators have survived a turbulent and difficult period since the implementation of the Rhode Island Medical Marijuana program with a challenging supply and demand dynamic that was unfavorable to them for a significant period of time. We should learn from this difficult experience and refrain from drastically altering the market by allowing an influx of new cultivators.

The most prudent course is to enact Adult Use legislation and allow the market to settle down. If after a reasonable period and following a market study, there is need for additional cultivation capacity, then expansion may occur by allowing the current cultivators to increase their production. Expanding cultivation by adding new cultivators would be a disaster for cultivators, which are small Rhode Island businesses and would also create significant risk for diversion.

Starting with the current cultivators and allowing the market to expand in a controlled manner is the most sensible way to proceed. To proceed otherwise will create unnecessary problems.

Thank you in advance for your consideration of our position.

Very truly yours,

Jeffrey Padwa, Esq.